

**RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

**BOARD OF DIRECTORS**

**MINUTES OF Thursday, February 5, 2015**

**(Original Meeting Date Scheduled for 1/26/15)**

**Board Members Present:** Mayor Scott Avedisian; Jerome Williams; Director Michael Lewis; Maureen Martin; Margaret Holland McDuff; Peter Ginaitt and Mark Susa

**Absent:** Stephen Durkee

**Also Present:** Raymond Studley, CEO; Todd Gleason, Outside Counsel; Benjamin Salzillo, In-House Legal; Marie DiToro, Recording Secretary; and other members of RIPTA's staff, and members of the public whose names are on the sign-in sheet

**Agenda Item 1:      Board Approval of the December 15, 2014 Board Meeting Minutes**

Mayor Avedisian calls the January 26, 2015 rescheduled to February 5, 2015 Board of Directors meeting to order.

The first item of business is the approval of the December 15, 2014 Board meeting minutes which were mailed out to all the Board members.

Mayor Avedisian asks for a motion to approve the meeting minutes from December 15, 2014. Mr. Ginaitt makes a motion to approve the minutes as presented. Director Lewis seconds the motion and it passes unanimously.

**Agenda Item 2:      Public Comment**

*(Board members take public comments under advisement, but do not respond except for clarifications. Members may follow-up on public comments in writing post-meeting as permitted by applicable law.)*

Mayor Avedisian welcomes Mr. Batting to speak. Mr. Batting has a copy of H7138, which talks about the Quasi's in Rhode Island regarding transparency. It prompted one question, is RIPTA using outside lobbyists, if so, who are they and how much has been spent on those lobbyists.

Mr. Batting states he is looking at the draft budget, he sees \$44 million in liability, page 12, but not implemented. Another \$14 million owed because of Rhode Island bonds

issued by RIPTA, page 13. The draft proposes that Rhode Island pick up \$1.7 million in FY2016, page 16. RIPTA is asking the State of Rhode Island to take care of the debt and if there is a structural deficit and problem with the budgets in the state of Rhode Island this only exacerbates it.

Mr. Batting implores RIPTA Board of Directors and Management to get in front of the Governor and the new Mayor of Providence to explain what RIPTA has or does not have as a result of spending in regards to the streetcar. RIPTA needs to look at the streetcar and how much of it is capital funding, how much the operating expenses would be, where the maintenance facility would be and who would maintain it and be able to present this in a clear and simple way so people can make an informed decision.

Mr. Batting states that the ports are being clogged out in California with imports coming in from China, Chinese goods are being choked and he will just leave that issue on the table as is.

Lastly, Mr. Batting states that there are three agencies that have been involved in the snow cleanup; RIPTA, RIDOT, and the City of Warwick, and as somebody who has lived and worked in the State of New York he thinks that they have been doing a good job.

Mayor Avedisian welcomes Mr. Schiller to speak next. Mr. Schiller thanks the Board and others for their time. He is from the RIPTA Riders Alliance. He has been talking about snow cleanup for years and he believes some progress has been made. The shelters that Lamar has taken responsibility for are in good shape. He believes it helped that RIPTA put out the press release asking for cooperation from the public. There is still a long way to go and he asks RIPTA to keep up the pressure.

The one thing he thinks RIPTA should consider during this time is giving drivers the authority to make courtesy stops where passengers are getting off and on at a safer more convenient location. This has been brought up before but liability concerns were mentioned, however the conditions as they are now are liabilities. He asks RIPTA to consult an attorney and see if this is something that can be done.

Lastly, Mr. Schiller states that there is Bill H5005, by Representative Lombardi, to encourage coordination of Fare policy between MBTA and RIPTA. He has spoken about this a lot over the years. He would like to encourage RIPTA to take this bill seriously for it shows legislative interest. Thank you.

Mr. Susa, a member of the RIPTA Board of Directors, would like to mention that the handicapped parking spaces and the sidewalk on Melrose Street would need to be shoveled out more. Thank you.

Mayor Avedisian welcomes Mr. McGee to speak next. Mr. McGee states that he received a letter in the mail from a group of employees; it is a complaint on the RIde Program and the way it is run by Mark Therrien and Brooks Almonte.

Mr. McGee states that he is aware that two people, Mark Therrien and Joe Monti went to China to look into purchasing buses. He states it is against the law and believes all buses should be purchased in America. He spoke to the Attorney General's office and they intend to take action if RIPTA decides to purchase buses out of the country.

Mr. McGee also states that there is a company here from St. Louis, Missouri who has been here over two years. He does not know what they are doing here, however he thinks this should be looked into. Mr. McGee thanks the Board for their time.

Mayor Avedisian invites Mr. Harrington to speak. Mr. Harrington states that today will be his last meeting at the Board of Directors. He has been given a great opportunity. He has been offered and appointed an international representatives job and he will be moving to DC. He did not have a choice on the start date and that is March 1, 2015. Therefore, there will be an election.

It has been a very interesting 3.5 years here at the Authority and he feels RIPTA has come full circle and has accomplished a lot. The Authority has a CEO that cares about the agency, takes into consideration the passengers and respects the employees.

Director Lewis, who in his opinion, was an incredible advocate for this agency at the State House to acquire question 6.

The Mayor, Chairman of the Board, who has been the best in his 20 years, by far. He probably had the only inaugural address that stated and talked about the employees that work in the transit industry in the state of Rhode Island. The agency is better today than the day he came in as President. Again, he thanks Mayor Avedisian for his leadership and thanks the Board for all the decisions and hard work they have done and the patience they have shown Mr. Harrington.

Mr. Harrington states how much he appreciates Mr. Williams's friendship through the years.

He thanks Ms. Martin, who has been a mentor to him and Mr. Ginaitt, who is new to the Board of Directors. He looks forward to his next journey in DC and working on a national level. He would like to thank the management staff who has worked here for years, Jimmy Dean, Bernie Harwood, Maureen Ruzzano, Maureen Neira, Mark Therrien, Amy Pettine and anyone else that he may have skipped. He thanks them for the time and states it has been wonderful.

Mayor Avedisian asks if there is anyone else that would like to speak under public comment.

Mr. McGee states that he would like to continue where he left off. RIPTA will be receiving 25-30 letters from passengers that use the RIde program disgruntled about how it is run.

Mr. McGee states that he never worked for this General Manager of RIPTA, however he knows that he runs a good business, treats the employees well and he thinks Mr. Studley is the best and the Board should do everything they can to keep him. He thanks the Board for their time.

Mayor Avedisian asks if there is anyone else that would like to speak under public comment.

Ms. Martin, a member for the RIPTA Board of Directors, asks if she could respond to Mr. Harrington's announcement.

Mayor Avedisian states that he did not realize this was going to be announced today so he was not prepared to talk about it until next month because he was researching whether this was the first time someone from the RIPTA's union has been elevated to that position and so far, he believes it is. Congratulations, Mr. Harrington.

Ms. Martin states that this comes as no surprise to her. A few years ago she attended an AFL/CLO conference and the president of ATU was there and they were already looking at Mr. Harrington at that time. The superstar working his way up and she would like to thank him from her perspective for all he has done here. He works so well with the Board and the Management at RIPTA and she thanks Mr. Harrington.

Mr. Schiller would like to say that the RIPTA Riders Alliance also has a great relationship with Mr. Harrington and they will miss him and wish him well.

Mr. Ginaitt would also like to thank Mr. Harrington. All Mr. Ginaitt's years at the State House in Legislative and dealing with Union issues, Mr. Harrington's name would come up as a person who prided himself on being fair and really trying to understand operating systems to treat employees fairly and being able to see both sides of the coin. It has been a real treat to work with Mr. Harrington to make this a better transportation system. It has been a good experience. He thanks Mr. Harrington.

Mr. Williams congratulated Mr. Harrington. For all the years, he has been on the Board it has been a terrific experience working with him and he says "working with him" because it has not been working at odds with Mr. Harrington and that is a credit to him and his style of how he works with the Board and Management. There have been some turbulent years and they have spent a number of long days together and they worked through it and he thanks Mr. Harrington.

Mayor Avedisian asks if there is anyone else to speak under public comment.

Mr. McGee would like to add that he read the article about the trolley and states that a streetcar in Providence would cause a traffic jam.

Mayor Avedisian asks if there is anyone else who would like to speak under public comment and Mr. Harrington is welcomed to speak.

Mr. Harrington states he loves an opportunity to speak. Last week, he and Mr. Studley were invited to sit on a panel for the national labor transit board. Consultants were sent out nationally to transit agencies and out of all those agencies, RIPTA was selected and they sat on a national board for public transit agencies to work on LMP (Labor Management Partnership). He and Mr. Studley informed them that they do have a working relationship. The Union will always be willing to look at anything that benefits the agency and that helps the members or the employees. He states that it has been a real pleasure working with Mr. Studley and he is an incredible CEO who cares about this agency, passengers and employees and with that basis, anything can be achieved. Mr. Harrington hopes his predecessor continues the same relationship he has had with Mr. Studley. Thank you.

Mayor Avedisian asks if there is anyone else who would like to speak under public comment. He welcomes Mr. Cole to speak.

Mr. Cole states he is Vice President of the Union, and it is a little bitter sweet for the union members with Mr. Harrington leaving. He has guided the members in unbelievable ways during his tenure. Mr. Cole has been here 38 years and without question, Mr. Harrington has been the best business agent he has worked with. He really appreciates all that Mr. Harrington has done for the Union and the company. He was hoping he would stay a little longer, but he wishes him well and gives him a pat on the back. He thanks Mr. Harrington for his time and help.

Mayor Avedisian asks if there is anyone else to speak under public comment.

Mr. McGee states that he has one last word and then he will leave. He thinks one of the men who went to China used his credit card and got reimbursed by the finance department and he believes this is illegal and would like someone to look into this. Thank you.

With no further public comment, Mayor Avedisian states that all issues brought up will be researched before the next meeting.

Before he moves to the next part of the meeting, he would like to thank the employees for their work during the snowstorm over the past few weeks. From staff going out and driving routes the night before and making sure that they were passable and then getting that information to Marketing so they can send out detour press releases and updating the RIPTA website. Ms. Pettine working with City of Providence to know what was going on downtown and at Kennedy Plaza. It was, by all accounts, one of the best responses RIPTA has ever had to a snowstorm and the Board thanks all employees for their efforts.

Mr. Ginaitt would like to state that there were things that were happening behind the scenes as well. He states that when there is a travel advisory, people are actually sequestered in the hospitals, hospitals cannot discharge people, numbers were going up and the capacity at the hospitals were over whelming and Mr. Ginaitt and Mr. Studley tried to find a way to discharge people to their homes. Mr. Studley and his staff were prepared to get the RIde vans in place because they know how to deal with disabilities, patients, people and know how to drive and to utilize them in that time of need would have been outstanding. Luckily, it did not come to that extreme; however, he encourages Mr. Studley to continue to work with RI Emergency Management Agency, under the emergency support function.

With no further comments, Mayor Avedisian moves on to the CEO Report.

### **Agenda Item 3: CEO Report**

Mr. Studley states that it was a great unique experience for he and Mr. Harrington to be on a panel for the National Labor Transit Board. It was great to be able to show the strong relationship Management and Labor has at RIPTA.

He would also like to thank the employees, Mr. Harrington and the union for providing safe service during inclement weather situations. There were conference calls all weekend and he states he asks a lot of the staff and he would like to thank them all for their time and effort.

Mr. Studley states that the Higer Bus Company was on the property. RIPTA will continue to assist the RI Bus Company in working towards manufacturing buses here in Rhode Island. They will provide two buses for RIPTA to use for 5-6 months and RIPTA will report back to the company. Mayor Avedisian states that the next time that they are back in town he will make sure that they do a full briefing so everyone will be up-to-speed. The proposal of having a company manufacture buses here in the State of Rhode Island is very exciting.

Mr. Studley states that they will be ready to unveil the R-Line performance measures next month.

He has met with the new governor's staff on performance metrics issues. In addition, ABBG was here in January and put on a program for the senior staff and he and Ms. Pettine are working on something to share with the Board.

Ridership has been fluctuating quite a bit this year. He thinks it has to do with the weather and with the redesign of Kennedy Plaza, because for the first 6 months, there really was not a plaza and RIPTA used temporary shelters.

Kennedy Plaza is complete. Still a few things to finish once the weather breaks, but given all the circumstances he thinks it came out very well and thanks Ms. Pettine for all of her work.

Mr. Studley and Ms. Pettine have met with the Convention Center and have been included at the onset of the Garrahy Courthouse Station project.

With no questions on the CEO Report, Mayor Avedisian moves on to agenda item 4, Proposed Amendment to FY 2015 Budget.

#### **Agenda Item 4: Proposed Amendment to FY2015 Budget**

Ms. DiLauro states that the RIPTA Board of Directors is requested to approve the following amendments to the FY 2015 Revised Budget. Staff submitted the approved FY 2015 Revised Budget to the state budget office on October 23, 2014 reflecting a deficit of \$451,346. The current budget amendments total \$956,750 in reductions due primarily to \$1.6 million lost in revenue, as we have discussed, due to a combination of Johnson and Wales University and the Rite Care program. Some of the adjustments are normal half-year adjustments that typically come before the Board this time of year; however, when we saw how drastic the cut was when the December financials were completed, every department met to determine a deficit reduction plan. As a result we froze many positions, took additional turnover on positions that were deemed critical and the staff came up with \$681,000 in reduced expenses. Offsetting increased expenses, which was already discussed, is including the additional drivers to reduce the double time and over time. There was also an increase in gas yield resource and an increase at the fare box with other passes and cash. The total deficit projected for this year is now \$1.4 million.

These revenue reductions went into effect December 1, 2014; however, there were 5 months of the year that this did not influence RIPTA's revenue. Next year the impact will be for the entire year. The total impact next year will be a deficit of \$6.4 million if the state does not pick up the debt service. RIPTA has asked the state to pick up the debt service, which would reduce the deficit by \$1.7 million bringing it to \$4.7.

Mayor Avedisian states that the Board members also have a copy of a memorandum that Mr. Studley and Mayor Avedisian sent to the Governor that explains all the changes with Rite Care and by the Executive Office of Health and Human Services which have cut the amount of money that RIPTA will be compensated for. The Mayor felt it was important to do a deficit reduction plan to ensure that RIPTA has everything covered the best it can for the worst-case scenario.

Director Lewis asks whether the \$681,000 reduction has had any effect on service, and Ms. DiLauro responds that no it has been left at the current level. Director Lewis also asks if there is anything in taking these actions that will add to problems down the road

and Ms. DiLauro responds no, except for the same OPEB issue that RIPTA has had all along.

Mayor Avedisian states that RIPTA has also lost the federal match that went along with the Rhody 10 program and that intensifies the loss.

Mr. Williams states that RIPTA has been battling the deficit for years and he thought RIPTA was seeing the light at the end of the tunnel and is glad a letter was sent to the Governor. This is a battle that RIPTA cannot keep having. RIPTA needs to have a sustainable revenue stream and now a portion of that has been cut away. It is upsetting to him to see that happened knowing that RIPTA has done everything it can to get its financial house in order. He will be happy to volunteer to do whatever he can and meet with whomever to extend this because so much has been done over the last 3-4 years to get this stabilized and now a portion has been ripped out from underneath RIPTA.

Mr. Studley states that for the first time since he has been at RIPTA they were projecting over a \$1 million surplus on the operating side and Article 21 starting in FY16 and FY17. If the funding was sustainable, RIPTA would start getting the ARC under control. He thinks this is just a hiccup; however, and RIPTA needs to be prepared for the worst.

Mayor Avedisian states it is disappointing because with all the work that was done and to have someone else create the problem and that is why it is important to understand where RIPTA is right now.

Mr. Ginaitt states that RIPTA needs to document everything because people will forget. RIPTA has developed good sound practices under the current leadership and it needs to be able to show that RIPTA was heading in the right direction. Mr. Ginaitt states that it is disheartening and RIPTA needs to take a strong stand.

Ms. Holland McDuff states that on the first page of the report in the detail section, there is additional money on the farebox line item and that it does not seem consistent. Ms. DiLauro responds that based on the numbers they saw for December she estimated and increased the numbers on that line based on the trend. Ms. Holland McDuff asks what is included on that line verses the monthly pass revenue?

Mayor Avedisian responds that that would be the people who used to have a pass and no longer have any other way to take the bus except for paying cash out of their pockets now.

Mr. Studley states that not only did they dissolve the program; however, they dissolved the access points to get the product as well. Therefore, the increase in the cash is the individuals that no longer qualify for Rhody 10's and they need to take transportation.



Ms. Holland McDuff is referencing the monthly passenger revenue in the graph and Ms. DiLauro responds that it is the estimate going forward for the rest of the year. It is reflecting what was seen in December and tied out for the year.

Ms. Holland McDuff asks if the \$3.4 million for Rite Care, includes Rhody 10 and Rite Care passes, and Ms. DiLauro responds yes that is correct.

Mr. Williams asks if the Finance Committee should get back together if for some reason a month from now there is no resolution to this, Mayor Avedisian and Ms. Holland McDuff think it is a good idea.

Mr. Williams makes a motion to approve the amendments as presented today. Director Lewis seconds the motion and it passes unanimously.

#### **Agenda Item 5: IFB 15-11 Fire Sprinkler Inspections & Service**

Mr. McGrane states RIPTA Board of Directors is requested to award a contract to Simplex Grinnell of Pawtucket, Rhode Island, to provide fire sprinkler inspections and maintenance services to the Authority. The estimated average annual cost is \$16,383.00. This is a one-year contract with up to four annual renewal options to be exercised at the sole discretion of the Authority. The bid was issued on November 6, 2014. It was publicly advertised via electronic media. A pre-bid meeting was held on November 19, 2014 and a tour of the facility was held on December 3, 2014. Bids were received on December 18, 2014. Four companies submitted bids and Simplex was the lowest responsible bidder. The fire sprinkler inspections are a requirement under NFPA 25 regulations and serve as a building safety function for personnel as well as assets within each building. Funding for this contract is from Grant RI90X063 and RIPTA operating funds.

Director Lewis makes a motion to award the contract to Simplex as presented today. Mr. Williams seconds the motion and it passes unanimously.

#### **Agenda Item 6: Bus Monitoring RFP 14-31**

Mr. McGrane states that the Board is asked to award a contract with Professional Security Services of Cranston, Rhode Island to monitor bus operator compliance. This would include automated voice and route stop announcements, wheelchair lift operation, wheelchair securement, bus kneeling, lift ramp requests, driver courtesy, fare collection, priority seating, safe and comfortable operation of the vehicle regarding speed, as well as stopping and adherence to road regulations. The estimated annual cost of this contract is \$65,000 a year, which will be paid out of RIPTA's operating budget. The request for proposals was issued on June 19, 2014. The RFP was publically advertised via electronic media. Proposals were received July 22, 2014. Two

companies submitted proposals. There were three Proposal Evaluation Committee meetings which included RIPTA staff and representatives of the ATAC committee. Best and Final offers were received by both vendors. The committee recommends awarding the contract to Professional Security Services of Cranston.

Mr. Williams asks if this is still required with the ATMS system, this seems like this is redundant especially with an automated system. Mr. Studley responds that it is required.

Mr. Vincent adds that it does more than the announcements; it handles all of the ADA spectrum of compliance.

Director Lewis suggests that if this comes around again to make sure that it is included in the staff summary that it is a requirement.

Ms. Martin makes a motion to award the contract as presented today. Mr. Ginaitt seconds the motion and it passes unanimously.

**Agenda Item 7: IFB 15-04 Scissor Lifts & Articulating Electric Narrow Lift**

Mr. McGrane states the RIPTA Board of Directors is request to award a contract to NES Rentals of East Providence, Rhode Island. This contract will be to purchase two scissor type lifts and one Articulating Boom Lift listed on the staff summary. The total cost of the contract is \$103,765. The IFB was issued on October 24, 2014 and the bids were received on November 24, 2014. Three companies submitted responses and NES was the lowest responsible bidder. The funding for this contract is from FTA Grants RI90X058 and RI90X061 for 80% and the balance is from RIPTA's operating budget, which was included in this year's budget.

Mr. Ginaitt asks if the annual average of \$1,752.00 is per unit or total and Mr. McGrane responds that is total. The warranties are included in this contract and the low bidder included an extra 2-year warranty at no additional charge.

Ms. Martin makes a motion to approve the contract as presented today. Mr. Ginaitt seconds the motion and it passes unanimously.

**Agenda Item 8: Approval of RIPTA Fare Study RFP 15-12**

Ms. Pettine states that the goal with this Fare Study is to over view fare strategy within the system, review fare policy and review existing fare media and ultimately to prepare RIPTA for the next future investment in fare technology.

Mr. Nordin states that an RFP was issued on December 4, 2014. Proposals were received on January 6, 2015. A proposal Evaluation Committee meeting was held on

January 14, 2015. Two proposals were received and LTK had a slightly stronger proposal. LTK bid price was \$155,040 and they are asking for an additional contingency of \$15,500 in case this scope takes them places they were not prepared to go. The project timeline is approximately 120 days and they should have recommendation mid to late spring of 2015.

Mr. Ginaitt states that he agrees that this needs to be looked at yearly. Is this a reoccurring \$170,000 on a yearly basis. Ms. Pettine responds that RIPTA can study fares as often as they deem necessary, however this is a one time study similar to the Comprehensive Operational Analysis, she thinks of it as a deep dive into the fare media and policy. She does not think a fare study needs to be done every year, however periodically evaluate whether revenue is being maximized and offering the most incentivizing products to your customers. The timing right now with the commuter trail integration and increasing rail service, ticket vending machines, reloadable fare product, how to incentive or disincentive cash on the buses which is a huge goal for the system. Ms. Pettine understands that the riders are concerned that a fare study equals fare hike and that is not necessarily the goal however fare equity is. University, Eco Pass, large relationships with Rite Care and Providence Schools and the need to make sure all riders are treated equitably as well as maximizing revenue. Should RIPTA charge more for express service are all questions they are looking to delve into.

Mayor Avedisian states that Express Service has been discussed for a long time and does RIPTA enhance this, use different equipment, WiFi capability have all been discussed and the other big issue is that the transfer policy has not been looked at in a long time.

Director Lewis suggests that RIPTA should ask the consultant what some of the triggers are that RIPTA should be thinking about.

Mr. Ginaitt states that RIPTA cannot enhance the service without revenue. Mayor Avedisian asks when the last time a comprehensive fare study was completed. Ms. Pettine responds prior to the last fare increase, which was approximately ten years.

Mr. Williams makes a motion to award the contract as presented today. Mr. Ginaitt seconds the motion and it passes unanimously.

**Agenda Item 9:      Project Rep for Kennedy Plaza Construction-Change Order 02**  
**Ref: PO#143399**

Mr. Nordin states that RIPTA Board of Directors is requested to award a Change Order to WEM Consulting for \$20,000 so the consultant can complete work in Kennedy Plaza that has extended beyond the original time frame for the project. The original completion date was for late 2014 early 2015; however, the project will not complete until spring 2015 due to weather and other construction issues resulting in some work needing to be

carried over until the spring. The funding for this project is grant 03-0045 Bus Livability with project match provided by the City of Providence.

Ms. Pettine states that Mr. Marchetti has been amazing and instrumental in making sure the Plaza opened when it did.

Director Lewis makes a motion to award the contract as presented today. Mr. Ginaitt seconds the motion and it passes unanimously.

**Agenda Item 10: Executive Session: Executive Session to consider, discuss and act upon such matters as may be closed to the public pursuant to R.I. Gen. Laws § 42-46-5(a)(2) regarding collective bargaining and litigation.**

Mayor Avedisian asked for a motion to convene to Executive Session.

Mr. Williams reads the law to go to Executive Session and made the motion. Mr. Ginaitt seconds the motion and a roll call vote was taken. The motion to convene into Executive Session passed unanimously.

**Agenda Item 8: Adjournment**

Mayor Avedisian asks for a motion to seal the Executive Session minutes. Mr. Williams makes a motion to seal the minutes from Executive Session. Ms. Martin seconds the motion and it passes unanimously.

Mr. Ginaitt makes a motion to adjourn the meeting. Mr. Williams seconds the motion and it passes unanimously.

Respectfully submitted,

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Marie DiToro  
Recording Secretary